

VZCZCXYZ0000  
RR RUEHWEB

DE RUEHBU #0829/01 1692150  
ZNR UUUUU ZZH  
R 172150Z JUN 08  
FM AMEMBASSY BUENOS AIRES  
TO RUEHC/SECSTATE WASHDC 1355  
INFO RUEHRC/DEPT OF AGRICULTURE WASHINGTON DC  
RUEATRS/DEPT OF TREASURY WASHINGTON DC  
RUCPDO/DEPT OF COMMERCE WASHINGTON DC  
RHMFIUU/HQ USSOUTHCOM MIAMI FL  
RUCNMER/MERCOSUR COLLECTIVE

UNCLAS BUENOS AIRES 000829

USDA FOR FAS/OA/OCRA/ONA/OGA/OFSO

SIPDIS

SENSITIVE

E.O. 12958: N/A

TAGS: [EAGR](#) [ECON](#) [EINV](#) [PGOV](#) [ELAB](#) [PHUM](#) [AR](#)

SUBJECT: ROUND 4 - ARGENTINE FARM STRIKE RESUMES

REF: (A) Buenos Aires 0803 and previous

-----  
Summary  
-----

1. (SBU) Argentina experienced an intense 3-day weekend of protests and counter demonstrations after the government sent federal highway and border police (gendarmerie) to clear a roadblock in Gualeguaychu on June 14, on the main highway to Brazil and Uruguay, and temporarily arrested prominent farm leader Alfredo de Angeli. The farm groups leading the rural protest responded to the increase in tension by resuming the farm strike (the fourth strike since March) until June 18, and called for a peaceful public protest on that day. They will block sales and marketing of all agricultural products, except dairy and other perishable products. On June 16 thousands of Argentines took to the streets in the capital and other cities in support of the farmers. President Fernandez de Kirchner showed no flexibility on basic issues raised by the farmers in a speech to the nation on June 17, but she said she would send the "export taxes" to Congress for approval (septel). END SUMMARY

-----  
The Arrest and Protests  
-----

2. (SBU) The highly public arrest of Argentine farm leader Alfredo de Angeli during the GOA's attempt to use its federal highway and border police (gendarmerie) to clear farm protestors from the highway in Gualeguaychu, Entre Rios province, led to an intense 3-day weekend of protests throughout the country. Additional protestors took to the streets and highways in rural areas and Buenos Aires after the arrest, blocking major highways throughout the country. De Angeli was subsequently released, and the gendarmerie, was forced to back off on its attempt to clear the highway in Gualeguaychu as additional protesters arrived from the surrounding countryside and cities. The gendarmerie has since withdrawn its forces from Gualeguaychu.

3. (SBU) On the evening of June 14, the GOA responded to the "cacerolazo" protests on the streets of Buenos Aires by organizing a demonstration in support of the government in the Plaza de Mayo, in front of the Casa Rosada (presidential palace), led by cabinet officials and former president Nestor Kirchner. Around 100 government supporters also clashed with protestors close to the presidential residence in Olivos, forcing them from the area. The GOA subsequently announced that it will organize a pro-government rally in the Plaza de Mayo on June 18. This announcement was met by additional large protests by sympathetic citizens throughout the country on the evening of June 16. Thousands poured out onto the streets in most major cities and many smaller cities. The

Presidential compound in Olivos was the scene of noisy protests until early morning hours.

-----  
On Strike Again  
-----

¶4. (SBU) The farm groups leading the agricultural protest met late on June 14 and agreed to resume the farm strike that evening, continuing through June 18. They will block sales and marketing of all agricultural products, except dairy and other perishable products. They have asked protesters to allow the movement of private vehicles and public transportation, as they do not wish to erode public support for the strikes. The farm groups also called for public protests on June 18 in support of the rural sector in its dispute with the government, but they made it clear they wanted these events to be peaceful and avoid any clashes with government supporters who will gather the same day in Buenos Aires.

¶5. (SBU) While the farm groups are seeking to limit the extent of the road blockades, it is not clear that all protest groups in rural areas will stick to these guidelines. Of particular importance are truckers in rural areas, who for over a week and a half have been blocking movement of trucks in numerous areas to pressure the farm groups and government to reach an agreement. The extended conflict left truckers that transport grain with little work since the start of the conflict in March. The road blockades by the truckers have left many rural areas and cities of the interior without fuel and other supplies, causing the economy in many rural areas come to a halt and leading to scenes of long lines of vehicles around service stations and empty supermarket shelves in the Argentine media (septel).

¶6. (SBU) Contacts in the private sector report that marketing of grains and oilseeds for export continues to be paralyzed due to the farm strike and protests by truckers. Virtually no grains or oilseeds are moving into the processing and export terminals, and stocks held at the ports have generally been exhausted due to the extended dispute. While the farm groups officially lifted the strike from June 9 to 14, almost no grains or oilseeds moved to the ports during the truce and this is not expected to change in the absence of an agreement between the farm groups and the government. Press reports also carry extensive speculation about what could happen if fuel and other trucks continue to be blocked and are unable to provide needed supplies.

-----  
Comment  
-----

¶6. (SBU) The escalation of the farm dispute is contributing to a decline in consumer confidence (septel) while the intransigence of both sides is upping the political stakes. An attempt to facilitate an agreement between the GOA and farm groups by Hugo Moyano (a vice president of the ruling Partido Justialista, and leader of the General Confederation of Workers as well as the main truckers union) on June 12 reportedly failed after the government decided to discontinue the dialogue and continue with a more hard-line position (including the attempt to use force to clear rural road blockades). President Fernandez de Kirchner and ex-President Nestor Kirchner both spoke June 17. Neither showed any flexibility on the issues raised by farmers. But the President said she would send the export taxes to Congress, for approval we presume, and both she and her husband spoke at length about the need to respect democracy and institutions rather than blocking roads (more details septel).

WAYNE